

Message Text

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PAGE 01 STATE 198894
ORIGIN EUR-12

INFO OCT-01 ISO-00 EB-08 TRSE-00 STR-04 JUSE-00 AID-05
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DRAFTED BY EUR/RPE: RALAMANTIA:WRF
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EB/JSPIRO
TREASURY/LBARDEN
STR/KALLEMAN

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-----116083 201944Z /65

R 200306Z AUG 77
FM SECSTATE WASHDC
TO AMEMBASSY BRUSSELS
INFO AMEMBASSY BONN
AMEMBASSY DUBLIN
AMEMBASSY COPENHAGEN
AMEMBASSY LONDON
AMEMBASSY LUXEMBOURG
AMEMBASSY PARIS
AMEMBASSY ROME
AMEMBASSY THE HAGUE

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USEEC

E.O. 11652: N/A

TAGS: ETRD, EEC

SUBJECT: DEPT. OF JUSTICE REQUESTS A STAY OF PROCEEDINGS
IN THE U.S. STEEL CASE

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1. ON AUGUST 19 THE DEPARTMENT OF JUSTICE FILED A MOTION
IN THE CUSTOMS COURT TO STAY THE PROCEEDINGS IN THE UNITED
STATES STEEL CASE FOR NINETY DAYS WHICH WILL ALLOW THE
DEPARTMENT OF THE TREASURY TO REEXAMINE THE US STEEL
PETITION IN LIGHT OF THE ZENITH CASE.

2. CENTRAL TO THE APPEALS COURT DECISION IN THE ZENITH

CASE WAS THE JUDGEMENT THAT THE CUSTOMS COURT ITSELF WAS NOT EQUIPPED TO GO INTO THE ECONOMIC ANALYSIS REQUIRED IN A COUNTERVAILING DUTY CASE. IT WAS RULED THAT THE CUSTOMS COURT MUST EXAMINE THE ADMINISTRATIVE RECORD AND ASSURE ITSELF THAT THE SECRETARY OF THE TREASURY REASONABLY DISCHARGED HIS DUTY TO DETERMINE IF A PARTICULAR MEASURE CONSTITUTES A BOUNTY OR GRANT UNDER U.S. LAW. IN THE U.S. STEEL CASE THE DEPARTMENT OF TREASURY, CONSISTENT WITH PREVIOUS FINDINGS ON REBATES OF VALUE ADDED TAXES, SUMMARILY REJECTED U.S. STEEL'S CLAIM THAT THE REBATE OF THE VAT IS A BOUNTY OR GRANT. ACCORDINGLY, THERE IS NO ADMINISTRATIVE RECORD FOR THE CASE. A REEXAMINATION OF THE U.S. STEEL PETITION BY THE TREASURY WOULD PRODUCE SUCH A RECORD FOR REVIEW BY THE COURT.

3. IF THE CUSTOMS COURT RULES FAVORABLY ON THE JUSTICE MOTION, THE REEXAMINATION IS EXPECTED TO TAKE THREE MONTHS.

4. TREASURY HAS CONSULTED WITH THE EC IN WASHINGTON AND THEY INFORMALLY SUPPORT THIS COURSE OF ACTION. VANCE

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DRAFTED BY:EB:OT:STA:CHBLUM

APPROVED BY:EB:OT:STA:JSSPIRO

EUR:RPE:ECASEY

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R 222355Z AUG 77

FM SECSTATE WASHDC

TO AMEMBASSY PARIS

USMISSION GENEVA

AMEMBASSY TOKYO

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PARIS FOR USOECD USMTN ALSO FOR USMISSION

FOLLOWING TELEGRAM FROM SECSTATE WASHDC DATED AUGUST 20,
1977 SENT BRUSSELS INFO BONN, DUBLIN, COPENHAGEN, LONDON,

LUXEMBOURG, PARIS, ROME, THE HAGUE IS REPEATED TO YOU: QUOTE

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USEEC

E.O. 11652: N/A

TAGS: ETRD, EEC

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2. CENTRAL TO THE APPEALS COURT DECISION IN THE ZENITH
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THEY INFORMALLY SUPPORT THIS COURSE OF ACTION. VANCE
UNQUOTE CHRISTOPHER

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Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
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Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
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TAGS: ETRD, US, EEC
To: BRUSSELS USEEC
Type: TE
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